



# Australian Bureau of Statistics

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## OVERTIME, AUSTRALIA, NOVEMBER 1988

### PHONE INQUIRIES

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- on **VIATEL** — key \*656#.
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### MAIN FEATURES

November 1988 estimates of average weekly overtime hours paid for per employee (1.48 hours) and per employee working overtime (7.59 hours) reflect significant increases at the national level, compared to August 1988 survey results (see paragraph 17 of the Explanatory Notes). The estimated percentage of employees working overtime also increased significantly at the national level to 19.5 per cent in the quarter.

In the year November 1987 to November 1988, estimates of average weekly overtime hours paid for per employee working overtime increased significantly (by 4.4 per cent).

Significant increases were recorded for estimates of overtime hours per employee in the Manufacturing and combined Transport and storage and Communication industry groupings in November, compared to August 1988. The apparent movement in the Northern Territory manufacturing estimate is largely attributable to changes in the composition of the sample.

### EXPLANATORY NOTES

#### Introduction

1. This publication contains estimates of overtime based on information obtained from a sample survey of employers.

2. Background information about the overtime series is provided in *Information Paper : New Statistical Series : Employment, Average Weekly Earnings, Job Vacancies and Overtime* (6256.0) published on 21 June 1984, copies of which are available on request.

#### Scope of the survey

3. All wage and salary earners who received pay for the reference period are represented in the survey, except:

- members of the Australian permanent defence forces;
- employees of enterprises primarily engaged in agriculture, forestry, fishing and hunting;
- employees in private households employing staff;
- employees of overseas embassies, consulates, etc.;

— employees based outside Australia; and

— employees on workers' compensation who are not paid through the payroll.

4. Also excluded are the following persons who are not regarded as employees for the purposes of this survey:

- directors who are not paid a salary;
- proprietors/partners of unincorporated businesses; and
- self-employed persons such as subcontractors, owner/drivers, consultants and persons paid solely by commission without a retainer.

#### Survey design

5. A sample of approximately 3,800 employers is selected from the ABS register of businesses to ensure adequate State and industry representation. The sample is updated each quarter to take account of new businesses, those which have ceased operation and structural changes such as takeovers and mergers. The statistical unit for the survey comprises all activities of an enterprise in a particular State or Territory. Each statistical unit is classified to an industry which reflects the predominant activity of the enterprise in the State or Territory. In a small number of cases where an enterprise has significant employment in more than one industry, a separate statistical unit is created for each industry. The statistical units are stratified by State, industry and size of employment and an equal probability sample is selected from each stratum.

#### Definitions

6. *Reference period* for the survey refers to the last pay period ending on or before the third Friday of the middle month of the quarter. The reference date for the current survey is 18 November 1988.

7. *Overtime* is time worked in excess of award, standard or agreed hours of work for which payment is received. Excluded is any overtime for which employees would not receive payment, e.g. unpaid overtime worked by managerial, executive, etc. staff, normal shiftwork and standard hours paid for at penalty rates.

8. *Overtime hours* represent the number of hours of overtime paid for. Respondents are instructed not to convert overtime hours to their ordinary time equivalent. For example, 100 hours of overtime paid for at time and a half and 20 hours at double time would be counted as 120 hours, not 190.

9. *Average hours of overtime per employee working overtime* is calculated by dividing total overtime hours paid for in a particular group (e.g. industry, State or Territory) by the number of employees who were paid for overtime in the same group.

10. *Average hours of overtime per employee in the survey* is calculated by dividing total overtime hours paid for in a particular group by the total number of employees in the same group (including those who were not paid for any overtime).

11. *Employees* refers to all wage and salary earners (as defined in paragraph 3) who received pay for any part of the reference period.

#### Historical series

12. The current series was introduced in November 1983 when it replaced the overtime series based principally on information from payroll tax returns. Estimates contained in this publication are not strictly comparable with those obtained prior to November 1983.

#### Reliability of estimates

13. As the estimates in this publication are based on information relating to a sample of employers rather than a full enumeration, they are subject to sampling variability. That is, they may differ from the figures that would have been produced if the information had been obtained from all employers. This difference, called *sampling error*, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by the ABS. Such inaccuracy is referred to as *non-sampling error* and may occur in any enumeration, whether it be a full count or sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

14. The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the *standard error* which indicates the degree to which an estimate may vary from the value that would have been obtained from a full enumeration (the 'true' figure). There are about two chances in three that a sample estimate differs from the true value by less than one standard error, and about nineteen chances in twenty that the difference will be less than two standard errors.

15. An example of the use of a standard error is as follows. If the estimated average overtime hours per employee were 1.25 with a standard error of 0.05 then there would be about two chances in three that a full enumeration would have given a figure in the range 1.20 to 1.30 and about nineteen chances in twenty that it would be in the range 1.15 to 1.35.

16. An example of the use of a standard error for a quarterly change estimate is as follows. If the estimated standard error for a quarterly change estimate of average overtime hours was 0.03 hours and the change between two quarters was 0.05 hours, then there would be about two chances in three that a full enumeration would have given a quarterly change estimate in the range +0.02 to +0.08 and about nineteen chances in twenty that it would be in the range -0.01 to +0.11.

17. Quarterly movements in overtime estimates are considered to be statistically significant where they exceed two standard errors.

18. Another measure of the sampling error is the relative standard error, which is obtained by expressing the standard error as a percentage of the estimate. Estimates with a relative standard error of 25 per cent or more, denoted in the tables with an asterisk, are subject to sampling variability too high for most practical purposes.

#### Industry classification

19. Industry is classified according to the *Australian Standard Industrial Classification (ASIC) 1983 Edition, Volume 1 — The Classification (1201.0)*.

#### Seasonal factors

20. Overtime figures at different dates may be affected by seasonal influences. Publication of seasonally adjusted figures will not be possible until results of surveys for several years are available.

#### Related publications

21. Users may also wish to refer to the following publications which are available on request:

*Information Paper: New Statistical Series: Employment, Average Weekly Earnings, Job Vacancies and Overtime (6256.0)*

*Average Weekly Earnings, States and Australia (6302.0)—issued quarterly*

*Job Vacancies, Australia (6231.0)—issued quarterly*

*The Labour Force, Australia (6203.0)—issued monthly*

*Employed Wage and Salary Earners, Australia (6248.0)—issued quarterly.*

22. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia (1101.0)*. The ABS also issues, on Tuesdays and Fridays, a *Publications Advice (1105.0)* which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

#### Unpublished statistics

23. In some cases, the ABS can also make available information which is not published. This information may be made available in one or more of the following forms: microfiche, photocopy, data tape, computer printout or clerically-extracted tabulation. Generally, a charge is made for providing unpublished information. Inquiries should be made to the officer whose name appears in the *Phone Inquiries* section of the Inquiries box at the front of this publication, or to Information Services in the nearest ABS office.

#### Symbols and other usages

- \* subject to sampling variability too high for most practical purposes (see paragraph 18).

24. Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

TABLE 1. OVERTIME: STATES AND TERRITORIES

Reference period— pay period ending on or before	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
AVERAGE WEEKLY OVERTIME HOURS PER EMPLOYEE(a)									
1987—									
21 August	1.19	1.45	1.11	0.94	1.14	1.19	1.77	0.74	1.22
20 November	1.45	1.69	1.29	1.11	1.55	1.32	1.66	0.99	1.46
1988—									
19 February	1.35	1.50	1.32	1.00	1.29	1.32	1.60	0.85	1.34
20 May	1.35	1.54	1.32	0.99	1.58	1.23	1.79	0.99	1.38
19 August	1.32	1.45	1.34	1.03	1.48	1.12	1.96	0.75	1.33
18 November	1.41	1.56	1.45	1.21	2.02	1.31	2.19	0.85	1.48
Standard error(b)	0.07	0.09	0.08	0.06	0.23	0.07	0.41	0.07	0.04
AVERAGE WEEKLY OVERTIME HOURS PER EMPLOYEE WORKING OVERTIME(a)									
1987—									
21 August	6.34	7.38	6.27	6.06	6.62	6.69	8.95	5.67	6.66
20 November	7.15	7.60	6.89	6.33	8.12	7.07	8.64	6.54	7.27
1988—									
19 February	7.06	7.73	6.95	6.37	6.78	7.46	7.53	6.10	7.15
20 May	7.14	7.67	6.96	6.57	7.58	7.21	8.83	6.40	7.27
19 August	6.87	7.81	6.99	6.44	7.39	6.68	9.65	5.77	7.17
18 November	7.20	7.94	7.06	6.96	9.80	6.98	9.80	6.25	7.59
Standard error(b)	0.19	0.27	0.26	0.27	0.82	0.22	0.92	0.43	0.13
PERCENTAGE OF EMPLOYEES WORKING OVERTIME(a)									
1987—									
21 August	18.74	19.64	17.68	15.48	17.21	17.74	19.81	13.26	18.26
20 November	20.23	22.27	18.70	17.53	19.14	18.65	19.19	15.10	20.05
1988—									
19 February	19.19	19.42	18.97	15.68	19.10	17.73	21.25	13.92	18.79
20 May	18.97	20.13	18.95	15.02	20.82	17.10	20.23	15.43	19.01
19 August	19.14	18.50	19.17	16.02	20.03	16.72	20.29	13.01	18.62
18 November	19.59	19.60	20.51	17.38	20.57	18.76	22.35	13.64	19.51
Standard error(b)	0.88	1.00	0.92	0.79	1.10	0.86	3.35	1.90	0.46

(a) For definitions see paragraphs 6 to 11. (b) Applicable to latest estimates of level and quarterly movements. See paragraphs 13 to 18.

TABLE 2. AVERAGE WEEKLY OVERTIME HOURS PER EMPLOYEE(a): MANUFACTURING

Reference period— pay period ending on or before	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
1987—									
21 August	2.34	3.11	2.18	1.97	1.89	2.02	2.61	1.71	2.51
20 November	2.84	3.48	2.65	2.50	2.79	2.42	2.97	1.56	2.99
1988—									
19 February	2.40	3.42	2.67	2.21	2.12	2.63	2.70	1.52	2.73
20 May	2.45	3.13	2.71	2.39	2.29	2.62	2.53	2.74	2.69
19 August	2.72	3.29	2.60	2.15	2.71	2.46	*2.55	1.39	2.82
18 November	3.04	3.72	2.88	2.36	3.02	2.88	1.41	1.64	3.16
Standard error(b)	0.32	0.24	0.27	0.17	0.50	0.17	0.26	0.14	0.15

(a) For definitions see paragraphs 6 to 11. (b) Applicable to latest estimates of level and quarterly movements. See paragraphs 13 to 18.

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TABLE 3. OVERTIME BY INDUSTRY

Reference period — pay period ending on or before							
industry	1987		1988				Standard error (a)
	21 August	20 November	19 February	20 May	19 August	18 November	
AVERAGE WEEKLY OVERTIME HOURS PER EMPLOYEE(b)							
Mining	3.75	4.00	4.12	4.87	5.26	5.66	0.72
Manufacturing	2.51	2.99	2.73	2.69	2.82	3.16	0.15
Food, beverages and tobacco	2.68	3.09	3.41	2.85	2.85	2.84	0.27
Textiles; Clothing and footwear	1.78	2.15	1.88	1.87	2.24	2.48	0.50
Paper, paper products, printing and publishing	1.58	*1.83	*1.68	*1.86	2.11	*2.06	0.53
Chemical, petroleum and coal products	2.42	2.75	2.45	2.30	2.39	2.62	0.28
Basic metal products	4.37	4.42	4.05	4.37	4.44	4.86	0.16
Fabricated metal products; other machinery and equipment *	2.61	3.31	2.50	2.74	3.04	3.40	0.29
Transport equipment	2.90	3.44	3.29	3.17	2.87	3.58	0.15
Other manufacturing	2.45	3.25	2.88	2.74	2.79	3.68	0.36
Electricity, gas and water	1.62	1.75	1.65	1.76	1.80	1.98	0.19
Construction	2.10	2.81	2.47	2.21	2.28	2.27	0.21
Wholesale trade	1.03	1.35	1.30	1.34	1.05	1.14	0.11
Retail trade	0.77	0.79	0.65	0.78	0.61	0.72	0.07
Transport and storage; Communication	2.25	2.70	2.56	2.90	2.77	3.44	0.26
Public administration and defence(c)	0.67	0.77	0.76	0.84	0.74	0.88	0.08
Community services	0.42	0.40	0.35	0.39	0.37	0.36	0.01
Other(d)	0.44	0.64	0.57	0.69	0.63	0.68	0.08
All industries	1.22	1.46	1.34	1.38	1.33	1.48	0.04
AVERAGE WEEKLY OVERTIME HOURS PER EMPLOYEE WORKING OVERTIME(b)							
Mining	9.04	9.98	9.38	11.07	11.41	12.39	1.27
Manufacturing	7.62	8.11	8.04	8.25	8.32	8.63	0.20
Food, beverages and tobacco	6.55	6.89	7.83	7.26	7.63	7.92	0.48
Textiles; Clothing and footwear	7.42	7.34	6.53	7.05	7.80	8.66	0.72
Paper, paper products, printing and publishing	6.48	6.89	6.85	7.47	7.25	7.11	0.75
Chemical, petroleum and coal products	8.87	8.96	8.65	7.84	8.50	8.64	0.21
Basic metal products	9.61	10.04	10.21	10.17	10.23	10.31	0.15
Fabricated metal products; other machinery and equipment	7.58	8.40	7.73	9.03	8.62	8.69	0.39
Transport equipment	8.68	9.66	9.36	8.88	8.54	9.13	0.20
Other manufacturing	7.47	8.08	8.17	8.17	8.49	8.98	0.67
Electricity, gas and water	7.17	7.30	7.49	7.55	7.36	7.51	0.55
Construction	8.13	8.72	8.62	8.36	8.06	7.77	0.64
Wholesale trade	6.82	7.24	6.96	6.92	6.54	6.47	0.37
Retail trade	4.05	4.27	4.10	4.35	4.12	4.39	0.19
Transport and storage; Communication	7.52	8.92	8.42	9.30	8.78	10.34	0.45
Public administration and defence(c)	5.33	5.61	5.73	5.73	5.55	6.10	0.44
Community services	6.14	5.70	5.94	5.84	5.89	6.22	0.16
Other(d)	4.66	5.77	5.33	5.70	5.05	5.48	0.33
All industries	6.66	7.27	7.15	7.27	7.17	7.59	0.13
PERCENTAGE OF EMPLOYEES WORKING OVERTIME(b)							
Mining	41.52	40.07	43.93	44.01	46.09	45.65	2.28
Manufacturing	32.93	36.85	33.90	32.62	33.88	36.59	1.24
Food, beverages and tobacco	40.88	44.85	43.52	39.21	37.34	35.80	1.91
Textiles; Clothing and footwear	23.95	29.30	28.80	26.57	28.77	28.63	4.03
Paper, paper products, printing and publishing	24.44	26.53	24.59	24.91	29.12	28.93	5.03
Chemical, petroleum and coal products	27.32	30.66	28.28	29.31	28.17	30.30	3.22
Basic metal products	45.43	44.05	39.63	43.03	43.44	47.07	1.07
Fabricated metal products; other machinery and equipment	34.44	39.37	32.40	30.31	35.30	39.18	2.46
Transport equipment	33.38	35.63	35.18	35.73	33.63	39.21	1.18
Other manufacturing	32.86	40.19	35.29	33.53	32.86	40.98	2.53
Electricity, gas and water	22.59	24.00	22.06	23.27	24.42	26.31	1.02
Construction	25.76	32.17	28.68	26.42	28.28	29.27	3.30
Wholesale trade	15.05	18.64	18.68	19.32	16.05	17.60	1.75
Retail trade	18.99	18.49	15.84	17.86	14.92	16.49	1.32
Transport and storage; Communication	29.86	30.23	30.40	31.21	31.58	33.26	1.43
Public administration and defence(c)	12.58	13.79	13.29	14.65	13.29	14.40	1.27
Community services	6.83	7.03	5.91	6.60	6.28	5.82	0.26
Other(d)	9.51	11.03	10.64	12.12	12.44	12.11	1.19
All industries	18.26	20.05	18.79	19.01	18.62	19.51	0.46

(a) Applicable to latest estimates of level and quarterly movements. See paragraphs 13 to 18. (b) For definitions see paragraphs 6 to 11. (c) Excludes permanent defence forces. (d) Includes Finance, property and business services and Recreation, personal and other services.

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